

Argos has become the first UK multichannel retailer to hit £1bn of m-commerce sales in a year. **Luke Tugby** explores how

# Six reasons why Argos is leading the way on mobile

## 1 Multichannel

Argos has leveraged its 700-store base in a bid to create “a seamless journey” for customers according to Bertrand Bodson, chief digital officer at parent company Home Retail. That is something the retailer has arguably managed to achieve better than any other multichannel operator in the UK.

Bodson describes mobile as “a connector between the virtual and the physical world” and says that 90% of all Argos purchases touch a store at some stage of the journey, emphasising Argos’s position as a truly multichannel retailer.

The convenience of being able to shop online and collect at an Argos store within hours has convinced increasing numbers of consumers to shop with the retailer on their mobiles.

## 2 Reserve-and-collect

Argos installed kiosks and click-and-collect points in its stores years before that became one of the top investment areas across the industry.

Although the development and rollout of this pioneering initiative took a while to bear fruit, boss John Walden kicked it up a gear following his arrival in 2012.

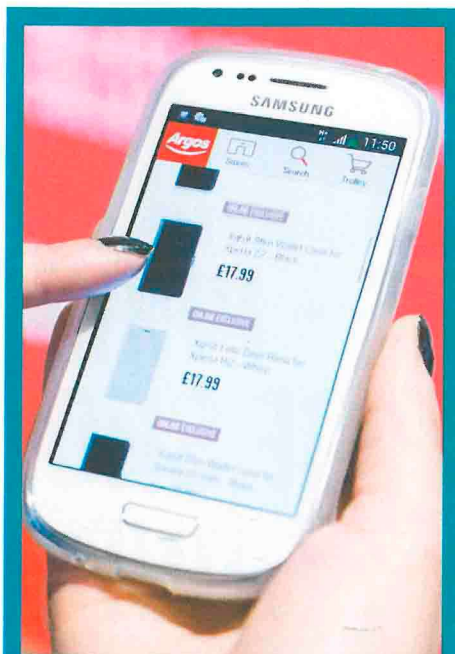
The retailer’s reserve-and-collect service has grown to become a hugely efficient and profitable string to Argos’s bow, not only driving footfall into stores, but prompting more customers to order goods online and through mobile for in-store collection.

## 3 In-store tablets

In keeping with Bodson’s emphasis on the interaction between digital and physical, Argos stores are now equipped with numerous fixed tablets for customers to use, while staff have portable devices to assist further with orders.

Bodson revealed that the journey between the virtual and physical world can work in reverse, “with the new in-store browsers giving a real sense of the digital experience” and encouraging customers to try it.

If the £1bn sales figure is anything to go by, that drip-feeding of the mobile experience into the minds of more traditional bricks-and-mortar Argos shoppers has paid dividends.



Argos’s app has many user-friendly features

**An easy-to-use app is key in driving mobile traffic – and Argos’s platform has almost everything any shopper would need**

## 4 Hub-and-spoke

Argos’s unique fulfilment model is blazing a retail trail, enabling it to cope with consumer demand and shift stock around its stores with relative ease.

The distribution network was designed to take advantage of the shift to online shopping, and allows same-day collection of around 20,000 products.

Larger hub stores, which act almost as mini-warehouses, can distribute stock to smaller branches located nearby using real-time stock visibility technology. That means customers can pick up more goods at

their local Argos store, increasing convenience by eliminating the need to travel further afield to collect products.

But the results have not completely positive. Following its full-year results in April, Argos said the network had led to increased sales at smaller spoke stores, although there were contrasting effects at its hub stores, where product availability and sales suffered.

## 5 Mobile app

As far as having a customer-focused mobile app is concerned, Argos is once again near the top of the retail charts.

A string of features make it easy for shoppers to use, including a map showing where nearby stores are, saved previous product searches, easily navigable menus and large text.

It also provides detailed product images and descriptions but more importantly, offers home-delivery and click-and-collect options when purchasing. Before deciding on a delivery option, shoppers can view product availability at their local stores and choose to either pay now or pay later.

An easy-to-use app is key in driving mobile traffic – and Argos’s platform has almost everything any shopper would need.

## 6 Gift Finder

Argos’s Christmas Gift Finder proved a huge hit when it was unveiled in November last year, just in time for Christmas.

Winner of the BT Overall Award for Excellence at the BT Retail Week Tech & Ecomm Awards this year, the retailer drew inspiration from mobile dating app Tinder, allowing customers to swipe their screens one way to save a product in a list, or swipe in the other direction to discard unwanted items. Each swipe contributes to improving the filtering system when consumers browse online.

During its soft launch, the Gift Finder achieved viral growth of more than 300,000 visits, 75% of which were on a mobile device. The average visitor spent more than three minutes looking at gift suggestions and swiped through more than 60 of the 6,000 available gifts per visit.

Argos’s head of digital trading, Mark Steel, said the Gift Finder was designed to “make Argos stand out from the crowd in the mobile battleground”.